

News Release

Controller of the State of California - Kathleen Connell

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FOR IMMEDIATE RELEASE

EMERGENCY TRIAL COURT FUNDS APPROVED, CONTROLLER TO MAKE PAYMENT IMMEDIATELY

**Connell Alerts Courts, Believes \$90 Million Payment
Doesn't Violate Restraining Order**

SACRAMENTO, July 14, 1998 -- State Controller Kathleen Connell will make a \$90 million disbursement to California's trial court system tomorrow in conjunction with emergency legislation signed by the Governor late yesterday to allow such a payment.

AB 1301, by Assemblywoman Deborah Ortiz (D-Sacramento), requires that Connell make a transfer of funds to the counties for trial court operations in the absence of a budget. Previously, the Controller warned that she did not have the legal authority to make the scheduled \$406 million transfer if a budget wasn't approved by the July 15 transfer date. The \$90 million payment is a salary appropriation only -- the remainder of the transfer will be made after a budget is signed.

"This emergency legislative action gives me the legal authority needed to make this disbursement to the trial court system," said Connell. "My office will immediately issue payments to ensure that the court system is able to meet its employee payroll."

Connell noted that the legislation authorizing payment took effect immediately upon the Governor's signing, after it passed the Senate on July 9th and the Assembly on July 10th with votes of 34-0 and 70-1, respectively.

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"I am pleased on behalf of the counties that the Governor and Legislature agreed that the continued funding of the California court system is critical to state operations," Connell said. "This payment will certainly relieve the cash-flow pressures many of the smaller counties would have experienced if the quarterly state transfer had been delayed."

The Controller said her office can make the funding transfer because the Governor and Legislature have appropriated funds specifically for that purpose. Last week, a Los Angeles Superior Court judge issued a restraining order which allowed for continued payments to most state employees and other vital state functions, but not to other programs and legislative employees that have not been previously identified as payable without a budget -- either by state constitutional authority or legislation. Connell said that she is informing Judge Robert H. O'Brien that she intends to make this transfer, as she now believes it is payable under his restraining order.

"On July 13th, a \$20 million payment to the Department of Social Services for county welfare administration was not made because of the court order prohibiting that payment without a signed budget. However, I believe the Legislature's emergency court funding legislation has protected the authority of my office to make this needed transfer to the counties," she stated.

Connell continued that last month, her office had to advance the trial court system a \$110 million loan so it could pay its approximately 17,000 employees. And importantly, that payment was only intended to cover funding until the July 15 transfer.

Please see attached payment distribution chart for exact county transfer amounts.

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Chart attached

TRIAL COURT DISTRIBUTION FOR JULY 15, 1998
PER AB 1301

BY COUNTY			BY PAYMENT	
COUNTY	AMOUNT		COUNTY	AMOUNT
Alameda	4,454,269		Los Angeles	30,294,695
Alpine	15,842		Orange	7,488,719
Amador	83,013		San Diego	7,048,952
Butte	333,096		Santa Clara	5,027,363
Calaveras	58,256		Alameda	4,454,269
Colusa	60,847		San Bernardino	3,606,276
Contra Costa	1,823,600		Sacramento	3,390,808
Del Norte	94,510		Riverside	3,244,711
El Dorado	368,693		San Francisco	3,179,066
Fresno	1,487,978		Contra Costa	1,823,600
Glenn	66,715		Kern	1,822,825
Humbolt	253,959		San Mateo	1,714,467
Imperial	284,006		Fresno	1,487,978
Inyo	80,869		Ventura	1,479,636
Kern	1,822,825		Santa Barbara	1,165,063
Kings	307,902		Sonoma	962,700
Lake	105,555		Solano	958,265
Lassen	63,059		San Joaquin	927,346
Los Angeles	30,294,695		Monterey	868,077
Madera	173,657		Stanislaus	780,685
Marin	752,104		Marin	752,104
Mariposa	29,436		Tulare	722,158
Mendocino	340,966		Santa Cruz	589,525
Merced	344,715		San Luis Obispo	582,191
Modoc	42,893		Placer	451,019
Mono	49,325		El Dorado	368,693
Monterey	868,077		Shasta	364,435
Napa	283,546		Merced	344,715
Nevada	178,145		Mendocino	340,966
Orange	7,488,719		Butte	333,096
Placer	451,019		Yolo	313,113
Plumas	52,082		Kings	307,902
Riverside	3,244,711		Imperial	284,006
Sacramento	3,390,808		Napa	283,546
San Benito	79,407		Humbolt	253,959
San Bernardino	3,606,276		Nevada	178,145
San Diego	7,048,952		Madera	173,657
San Francisco	3,179,066		Tehama	172,880
San Joaquin	927,346		Tuolumne	149,252
San Luis Obispo	582,191		Yuba	138,669
San Mateo	1,714,467		Sutter	121,988
Santa Barbara	1,165,063		Siskiyou	109,356
Santa Clara	5,027,363		Lake	105,555
Santa Cruz	589,525		Del Norte	94,510
Shasta	364,435		Amador	83,013
Sierra	17,397		Inyo	80,869
Siskiyou	109,356		San Benito	79,407
Solano	958,265		Glenn	66,715
Sonoma	962,700		Lassen	63,059
Stanislaus	780,685		Colusa	60,847
Sutter	121,988		Calaveras	58,256
Tehama	172,880		Plumas	52,082
Trinity	39,918		Mono	49,325
Tulare	722,158		Modoc	42,893
Tuolumne	149,252		Trinity	39,918
Ventura	1,479,636		Mariposa	29,436
Yolo	313,113		Sierra	17,397
Yuba	138,669		Alpine	15,842
TOTAL	90,000,000		TOTAL	90,000,000